was US$ 29.5 billion, US$ 35.1 billion, US$ 39.6 billion, US$ 51.0 billion and US$ 67.0 billion respectively. The entire foreign currency assets of the country are invested in approved foreign securities and in deposits of foreign central and commercial banks and the Bank for International Settlements.

(d) Net returns on foreign currency assets and gold during 1999-2000, 2000-01 and 2001-02 was 4.6 per cent, 6 per cent and 4.5 per cent respectively.

Compensation to States over implementation of VAT

671. SHRI SURESH PACHOURI:
SHRI K. RAMA MOHANA RAO:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Central Government have decided not to give 100 per cent compensation to States while switching over to VAT which starts from April, 2003; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) No, Sir. The Government of India would compensate the revenue loss, if any, upon introduction of VAT by the States at the rate of 100 per cent in the first year (2003-04), 75 per cent in the second year (2004-05) and 50 per cent in the third year (2005-06), based on an agreed formula.

Outstanding dues against Essar Power Ltd.

672. SHRI AMAR SINGH:
SHRI ABU ASIM AZMI:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that Essar Power Ltd. has defaulted on the payment of principal and interest thereon of the I.F.C.I. since 2000;

(b) if so, what are the details of the outstanding dues against the company at present; and